## **REMARKS**

Claims 1-27 are pending in this application

Claims 1-27 are rejected.

Claim 21 is objected to due to an informality.

Claims 1-3, 7, 9 and 10 are rejected under 35 U.S.C. 102(e) as being anticipated by Schuhmacher et al. (U.S. Patent Publication No. 2003/0085380, hereinafter Schuhmacher).

Claims 11 and 16-18 are rejected under 35 U.S.C. 102(a) as being anticipated by Merck et al. (JP 2003-1618835, hereinafter Merck).

Claims 19, 22, 23 and 25-27 are rejected under 35 U.S.C. 102(b) as being anticipated by Hoshino et al. (U.S. Patent No. 6,061,122, hereinafter Hoshino).

Claims 4-6 and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Schuhmacher et al. (U.S. Patent 2003/0085380), in view of Hoshino et al. (US Patent 6,061,122).

Claims 12-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Merck et. al. (JP 2003-1618835), in view of Schuhmacher et al. (US Patent 2003/0085380).

Claims 20, 21 and 24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hoshino et al. (U.S. Patent No. 6,061,122), in view of Schuhmacher et al. (U.S. Patent 2003/0085380).

The Applicants traverse the rejections and request reconsideration.

## Claim Objections

Claim 21 has been amended to overcome the noted of informalities.

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Claim Rejections Under 35 U.S.C. 102

Rejection of Claims 1-3, 7, 9 and 10 are as being anticipated by Schuhmacher et al.

Claim 1 requires two light selective reflecting layer are stacked together with a phase difference layer interleaved therebetween. As can be clearly noted in paragraph [0086] of the published Application, the phase difference layer is a layer that is adapted to double refract incident light to produce a phase difference depending on the direction of polarization.

Schuhmacher discloses a structure that is of the form  $A^1/B/A^2$ . The layers  $A^1$  and  $A^2$  comprise cholestric layers. B is a layer that separates layers  $A^1$  and  $A^2$ . The Examiner incorrectly contends that layer B is equivalent to the phase difference layer. The Applicants respectfully submit that layer B cannot be construed to be a phase difference layer.

In paragraph [0004] of Schuhmacher, it is noted that the layer B preferably absorbs all or some of the transmitted light and is an adhesive layer. In paragraphs [0009] it is reiterated that layer B is an adhesive layer. Likewise, the process described in paragraphs [0010] to [0020] further clarifies the adhesive nature of layer B. In paragraph [0037], the hiding power of layer B and its transparency is described. On the other hand paragraph [0038] the composition of layer B is further described and in paragraphs [0042]-[0045], variation in color and brightness of layer B is accentuated.

However, nowhere is it disclosed (or remotely suggested) that layer B can be a phase difference layer as required by the present invention.

The Layer B of Schuhmacher is adapted to change transmittance and select colors, as described at paragraphs [0037] to [0040] and [0042] to [0046]. Under no circumstances it can be adapted to turn right-handed circularly polarized light into left-handed circularly polarized light, and vice versa (Fig. 2(b) by the provision of a phase difference, as recited in claim 1.

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The Examiner has not established anticipation of claim 1 by Schuhmacher at least because Schuhmacher does not disclose the three layered structure where the middle layer is a phase difference layer as in the present invention.

Claims 2-3, 7, 9 and 10 are dependent on claim 1 and are allowable for at least the same reasons.

Rejection of Claims 11 and 16-18 are as being anticipated by Merck et al.

The above claims are canceled rendering their rejections moot.

Rejection of Claims 19, 22, 23 and 25-27 are as being anticipated by Hoshino et al.

Claim 19 requires a layer that reflects polarized light and another layer that diffracts light. The Examiner takes a position that the hologram foil that serves as an authentication medium is equivalent to a layer that diffracts light. Claim 19 has been amended to include limitations from claim 23.

Referring to claim 19, the liquid crystal layer 63 of Hoshino et al. constitutes the reflective layer of the hologram (light diffracting structure layer), as described at column 8, lines 23-25. This is completely different from the "layer of a material having light selective reflectivity capable of reflecting either of left-handed or right-handed circularly polarized light of incident light" provided separately from the "light diffractive structure layer with a light reflective layer", as recited in claim 19.

That is, claim 19 recites that the light selective reflecting pattern layer is distinguishable from the light reflective layer, and the light reflective layer forms a part of the hologram; the light selective reflecting pattern layer is separate from the hologram. However, Hoshino et al.

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discloses that the liquid crystal layer 63 forms a part of the hologram, and is completely silent about a layer corresponding to the separately provided light selective reflecting pattern layer.

Claims 22, 23 and 25-27 are dependent on claim 19. Therefore, they are allowable for the

same reasons.

Claim Rejections Under 35 U.S.C. 103

Rejection of Claims 4-6 and 8 as being unpatentable over Schuhmacher et al. in view of

Hoshino et al.

Claims 4-6 and 8 are dependent on claim 1 and therefore are allowable at least for the

same reasons. Moreover, Hoshino does not overcome the deficiencies noted in the teachings of

Schuhmacher.

Rejection of Claims 12-15 as being unpatentable over Merck et. al. in view of Schuhmacher et

<u>al.</u>

The above claims are canceled, rendering their rejections moot.

Rejection of Claims 20, 21 and 24 are as being unpatentable over Hoshino et al. in view of

Schuhmacher et al.

Claims 20, 21 and 24 are dependent on claim 19 and therefore are allowable at least for

the same reasons. Moreover, Schuhmacher does not overcome the deficiencies noted in the

teachings of Hoshino.

In view of the above, reconsideration and allowance of this application are now believed

to be in order, and such actions are hereby solicited. If any points remain in issue which the

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Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

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